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White House Announces First Medicaid Stimulus Award *Kansas Expects \$71.5 Million by Wednesday*

(TOPEKA) – The White House announced today that \$71.5 million in new federal Medicaid money will be available to Kansas by the middle of this week. The money represents the first installment of new federal Medicaid funds provided under the American Recovery and Reinvestment Act (ARRA), also known as the federal stimulus package.

In a teleconference with state Medicaid officials, the Centers for Medicare and Medicaid Services (CMS) announced that states would be able to access the funds beginning Wednesday, Feb. 25. Those initial funds constitute a retroactive payment for the first two quarters of the current federal fiscal year: Oct. 1 – Dec. 31, 2008; and Jan. 1 – March 31, 2009.

“The importance of this money cannot be overstated,” said Marcia Nielsen, Executive Director of the Kansas Health Policy Authority, the state agency that administers Medicaid in Kansas. “This is real money, and it is direct fiscal relief for the state of Kansas because it reimburses us for costs we’ve already incurred. This money, plus the money coming in future installments, reduces the amount of State General Fund money it will take to continue providing health coverage to low-income Kansans, including those who’ve been hardest hit by the economic downturn.”

The stimulus package provides a temporary increase of 6.2 percentage points in the Federal Medical Assistance Percentage (FMAP) – the federal Medicaid match rate. The federal government currently pays 60.08 percent of Medicaid costs in Kansas. The stimulus bill increases that temporarily to 66.28 percent.

Overall, KHPA estimates Kansas will receive \$440 million in additional Medicaid money from the stimulus package.

Additional information can be found in a [White House press release](#) issued today.

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